

FLEXPASS

What is FlexPass?

FlexPass is a comprehensive commute benefits package for all or most employees, that includes financial tools to help employers pay for alternative commute benefits. By packaging together separate commute incentives and utilizing FlexPass financial assistance, FlexPass can bring a more integrated and affordable program of commute benefits to a larger number of employees.

Metro and employers work together to determine which incentives and benefits best meet the unique needs and resources of each company and its employees. A FlexPass program may include full access to Metro transit, Home Free Guarantee emergency ride home service, vanpool fare subsidies, carpool incentives, discounted carpool/vanpool parking, or customized ridematching services.

At the end of 1998, there were 72 employers in King County offering FlexPass benefits to over 50,000 employees.

What are the benefits of a FlexPass?

To Employers:

- provides a single, comprehensive program to help tie together individual employee commute benefits;
- helps employers extend their commute program budget to cover all or most employees;
- offers employers a combination of reduced transit pricing and financial incentives, helping to reduce commute benefits costs (per employee);
- reduces administrative costs — FlexPass is an annual, versus monthly, pass program;
- proven results for encouraging employees to use alternative types of transportation;
- helps employers meet Commute Trip Reduction requirements.

To Employees:

- offers daily flexibility in choosing a subsidized commute mode;
- provides low cost or fully subsidized commute benefits for using alternative commuting modes;
- provides a single, easy to use pass to access different commute benefits;
- provides more equity in commute benefits, regardless of which alternative transportation mode an employee chooses.

How does FlexPass help meet CTR goals?

FlexPass has proven itself as an effective, comprehensive commute incentives program for employers affected by the CTR law. With the buying power of FlexPass' financing tools, employers can now offer a larger package of commute incentives and subsidies to more employees. By expanding an employer's commute benefits program, many employees who may commute only occasionally by an alternative mode have a choice of cost-effective ways to help them do so more often. On average, an employer experiences a 90% increase in transit usage by their employees after two years of offering FlexPass, with a corresponding reduction in drive-alone commute trips.

(more)

What are favorable conditions for using FlexPass?

FlexPass is most effective when:

- employees use several types of transportation to commute to work;
- company currently offers few or no alternative commute benefits;
- employee vehicle parking is limited and/or has an out-of-pocket cost;
- an employer has set aside preferential parking for carpools and vanpools;
- transit operates within 1/2 mile of the worksite.

How much does FlexPass cost?

The cost of an employer's FlexPass includes annual fixed costs for transit access and other Metro services like Home Free Guarantee, and variable costs for subsidies and incentives linked to carpooling, vanpooling, HOV parking and non-motorized modes. Costs vary depending upon the actual number of participants for each of these modes. If an employer already provides a commute subsidy, the cost of a FlexPass program is usually equal to or slightly more than the current program subsidy cost. In return, an employer can offer a wider variety of alternative commute benefits to a much larger group of employees.

Refer to Metro's Commute Expense Tax Issues Q & A for tax-related details about FlexPass.

Answers to commonly asked questions:

Q. Why should FlexPass be added when our program already contains so many elements?

A. FlexPass is both an administrative and financing tool for employers already offering several program elements. As an annual program, FlexPass reduces administrative costs of managing a monthly commute program. As a financing tool, FlexPass can help you extend commute benefits to more employees, at little or no added cost.

Q. If our worksite has limited transit service, how does FlexPass help us meet CTR goals?

A. FlexPass is more than just transit access. FlexPass links together other commute program elements such as emergency ride home, vanpool subsidies, carpool incentives, parking management and non-motorized commute incentives. So, employees can access subsidies and incentives for travel modes besides transit.

Q. What are the administrative requirements of FlexPass?

A. An employer's administrative tasks revolve primarily around an annual pass distribution at the start of the program, and periodic distribution of incentives to qualified carpools, vanpoolers and non-motorized commuters. In addition, Metro has simplified the Home Free Guarantee service to a phone-in system, removing the need for paper vouchers.

Q. How is a FlexPass financed?

A. Financing for FlexPass can include several funding sources. Most employers transfer to a new FlexPass program, the funds currently being used for various employee commute benefits, including payments for employee parking spaces. Employers also receive a discount on the cost of purchasing transit passes and emergency ride home taxi services through FlexPass. And most employers joining the FlexPass program for the first time may be eligible for incentive "matches" provided through federal transportation grants. Contact your Employer Transportation Representative for further details.